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#### SOVIET MINISTRIES CENTRALIZE MOTOR POOLS, INTRODUCE COST-ACCOUNTING METHODS

MERGE MOTOR TRANSPORT GROUPS -- Moscow, Avtorcbil', Feb 51

At present, most Soviet Motor vehicles are found in small motor pools administered by the organizations they serve. In the past few years, a great deal of attention has been directed toward improving the operations of these small motor-vehicle enterprises. In these organizations, it is difficult to utilize fully the carrying capacity and to service the motor vehicles during the entire year because of the lack of necessary equipment and qualified maintenance personnel. This results in increased expenditures for operating materials, more wear and tear on the motor vehicles, and higher transportation costs. Transportation costs are much less in the larger motor pools, where it is easier to organize properly transport operations of the motor vehicles and where service and repair work is of higher quality.

In 1949 - 1950, work was undertaken to centralize motor transportation. expand motor pools, establish territorial motor pools which work on a cost-accounting basis, and mechanize loading and unloading operations. Increased motor-vehicle performance and reduced transportation costs were achieved.

Large, specialized motor-transport organizations working on a cost-accounting basis were set up in the sugar industry, in the Ministry of Transportation USSR (for servicing the construction and timber-cutting organizations), in the Administration of Container Freight of the same ministry, in "Mezhgoraviatrans" (Intercity Air Transportation) of the Ministry of Aviation Industry, and other organizations.

"Soyuztorgtrans" (All-Union Trust for Trade Transportation) was established in the Ministry of Trade USSR, and the hauling of goods in the trade network was centralized in many large cities. Motor-transport organizations of "Soyuztorgtrans," operating on acost-accounting basis, also exist in the republic Ministries of Trade, particularly in the RSFSR, Ukrainian SSR, and Belorussian SSR. As a result of expanding its motor pools, motor-vehicle performance in the Ministry of Trade USSR increased 46 percentin comparison with the smaller motor pools.

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In the Ministry of Coal Industry USSR, motor pools operating on a cost-accounting basis have been organized in all coal combines to service the small enterprises. As a result, more than 1,000 motor pools were eliminated and more than 500 administrative and technical personnel were released.

Much work has also been done in the Ministry of Construction of Machine-Building Enterprises and in the Ministry of Construction of Heavy-Industry Enterprises toward more efficiently utilizing motor vehicles, expanding motor pools, and converting them into organizations operating on a cost-accounting basis. Territorial motor offices having 25 and more vehicles were set up, daily schedules were established, long-haul routes for motor transport were organized, and many other measures to increase productivity and decrease operating costs of motor transport were introduced.

MINISTRY OF TRADE CENTRALIZES MOTOR TRANSPORT -- Moscow, Avtomobil' May 51

In 1948, the Ministry of Trade USSR began to consolidate its small motor pools into large motor terminals operating on a cost-accounting system, and "Soyuztorgtrans" was organized within the ministry.

During the next 2 years, the ministry incorporated more than 300 motor pools of local trade and republic organizations into 45 large motor terminals in 35 cities. Each of these terminals operated on a cost-accounting basis. Each was given between 50 and 300 vehicles and had qualified working personnel and en-

Although most of the motor pools had to be established without an adequate material-technical base, the consolidation of these pools produced satisfactory results. According to data for 1950, the productivity of the incorporated motor pools for similar vehicles is 49 percent more in tons and 51 percent more in ton-kilometers than 1s the productivity of the smaller motor pools. Efficient utilization of vehicles increased on an average of 10-15 percent, the time for loading and unloading operations was sharply cut, and the cost per ton-kilometer was reduced 12.5 percent.

The incorporation of the smaller motor pools permitted competition among the drivers to get the most mileage with their trucks without undergoing capital repairs, to save gasoline and lubricants, and to fulfill or surpass the hauling plan. In particular, motor-terminal drivers from the Administration of Trade Products in Moscow drove their ZIS-5 trucks more than 100,000 miles without the trucks undergoing capital repairs, saved more than 12,000 liters of gas, and effected a saving of more than 100,000 rubles.

Centralization of hauling various types of freight was another important means of reducing the hauling costs. Until recently, beer from a Moscow brewery was delivered to the consumer outlets by different motor pools. A large number of trucks were driven to the brewery daily and stood idle for long periods. Each ZIS-5 truck was loaded with only 15-25 cases instead of 100, resulting in increased hauling costs. The beer is now hauled by trucks of a single motor terminal instead of vehicles from the numerous motor pools. One senior loader, who is responsible for receipt of the goods from the brewery and for safe delivery to the consumer, is attached to each vehicle. The orders received by the brewery are turned over for fulfillment to a representative of the motor terminal, but all bookkeeping is done by the brewery. Loading and unloading work is carried out by both the brewery and the motor terminal.

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Since beer hauling was centralized on 1 January 1951, the demand on motor transport has been reduced 300 percent. Truck layover due to the delay in making out the necessary papers, which, before centralization, averaged one hour every trip, was eliminated; the number of agents sent after the merchandise was reduced sharply, and the consumption of gasoline and lubricants is being reduced.

According to conservative reports, centralized beer hauling will effect a saving of several million rubles annually.

MINISTRY OF COAL INDUSTRY CENTRALIZES MOTOR TRANSPORT -- Moscow, Avtomobil',

During the past 5 years, the coal industry's motor-vehicle fleet increased more than 2.3 times. The volume of freight hauled in the Ministry of Coal Industry by motor vehicles in 1951 made up 8.5 percent of the freight hauled by the entire motor-vehicle fleet of the USSR. The cost of operating the coal intal costs.

In 1947, the Ministry of Coal Industy changed nearly 30 percent of the motor-vehicle fleet in the Donets and Moscow area basins to a system based on cost accounting and organized large motor terminals, which were concerned with hauling coal from the mine shafts to the railroad stations and landing piers. However, in early 1948, scarcely 10 percent of the motor pools were yet operating on a cost-accounting basis. During that year, the motor pools of the coal industry's construction enterprises were reorganized. By creating motor-transport offices operating on a cost-accounting basis in the construction trusts doing contract work, the number of motor pools in these organizations was reduced 73 percent, the number of vehicles in each motor pool almost tripled, and 74 percent of the motor transport operating at the construction projects was operating on a cost-accounting basis.

On 1 January 1950, the ministry still had within its system several thousand motor pools, 67 percent of which had from one to ten vehicles. Thirty-nine percent of the ministry's motor-vehicle fleet operated on a cost-accounting system. Of this number, only 33.5 percent operated on a cost-accounting basis in the coal and shale combines. As a result, the small garages, which were not on a cost-accounting basis, continued to make up the predominant type of motor pool in 1950, especially in the coal combines, the basic branch of the ministry's production operations.

The contemplated plan for completely reorganizing the motor pools of the coal combines called for the withdrawal of an overwhelming part of the freight motor fleet from the mines, construction projects, and secondary enterprises, and incorporating it into large territorial motor terminals based on a cost-accounting system. This would improve motor transport and lower the cost of hauling

To direct the operations of the motor terminals which served the mines, construction projects, and secondary enterprises, special organizations operating on a cost-accounting basis, were to be established in the combines to manage all motor pools and repair stations of a given combine and to carry out functions of the departmental transport trusts.

A study of all small mctor pools in the combines was made in 1949. To carry out its program, the ministry had to eliminate a deep-rooted tradition which existed in the coal combines, i.e., the desire of the combines to have their own transport.

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During the second and third querters of 1950, the Ministry of Coal Industry organized on a cost-accounting basis within the combines 123 territorial motor bases composed of 143 motor columns. At the same time, it also eliminated 1,205 small motor pools which were not operating on a cost-accounting basis. In addition, in 15 combines, it established motor-transport administrations based on cost accounting to supervise the motor terminals and repair enterprises. Motor-transport departments were set up in combines having fewer trucks. As a result of this reorganization, a 10-percent reduction was effected in administrative and technical personnel.

The following chart shows the effect of the reorganization of motor transport in the Ministry of Coal Industry:

<u>Item</u>	1 Jan 1950	1 Jan 1951
Average number of vehicles in one motor pool	19	40
Number of motor pools having more than 100 vehicles	91	226
Percentage of motor pools of the entire freight motor- vehicle fleet operating on a cost-accounting basis	39	84
Percentage of motor pools operating on a cost-accounting basis in coal combines	33-5	88

On 1 June 1951, the greatest number and the most significant part of the coal industry's motor transport was concentrated in 123 territorial motor terminals of the coal combines and in 76 motor-transport offices of trusts doing contract construction work. Both the terminals and the trust offices were operating on a cost-accounting system. As a comparison, 224 motor pools existed before the reorganization in the "Stalinugol'" Combine alone. In the "Rostovugol'" Combine, there were 158 and in the "Kuzbassugol'" Combine, 141. Each of these motor pools averaged about 13-16 vehicles.

During the reorganization period, it was necessary to use the motor transport without disrupting the normal operations. However, before reorganization, the cc. industry's motor transport did not have a satisfactory production base. As a result, most of the large new motor pools had to be organized on the basis of the smaller pools. The reorganization took place during a very busy period (third quarter), when a large number of trucks were being used to haul grain and other agricultural products.

The ministry established close coordination between the territorial motor terminals and the organizations they serve, whereby the latter organizations supply orders for rauling specific freight. However, this system introduced many difficulties and, after a few months, the servicing organizations began to request more vehicles than they needed to guarantee that enough vehicles would be on hand.

Other mistakes were made in the reorganization. In some combines, trucks and special-type vehicles were withdrawn from the mines without considering the fact that these enterprises would be unable to make any plans beforehand for any short single hauls or emergencies. Little consideration was given to buses,

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ambulances, emergency repair trucks, or tractors. These latter mistakes were later corrected by leasing one or two vehicles to each mine, with the cost of operating such vehicle to be paid by the mine to the motor terminal. Adjustments were also made to take care of operating special vehicles and transport tractors.

The elimination of the obsolete traditions and the introduction of strict control over the use of motor transport constituted a major part of the difficulties of reorganization. In those combines where the management announced the reorganization at an opportune time, all reorganization difficulties were overcome, and operations were adjusted rather quickly.

In 1950, a considerable number of mines changed over to extracting coal according to a cycle work schedule, where all production methods were defined and mechanization was intensified. During this period, the mines gave up their own motor transport without disrupting the transfer to the new cycle work schedule. The "Nesvetayantratsit" Trust, whose mines are now operating according to the cycle schedule is served by the Novoshakhtinsk and Molotovsk territorial motor terminals and has only 17 leased vehicles. Not too long ago, this trust had 186 vehicles in its possession, distributed among 21 motor pools.

Prior to the reorganization, the motor pools were directed mainly by mechanics or senior drivers. In organizing the motor pools on a cost-accounting basis, a significant though insufficient number of engineering and technical personnel were employed to supervise the motor pools. Fifty-four percent of the motor terminal directors in the Donets and Moscow coal basins have completed a higher or secondary special education. The ministry is offering annual courses to prepare technician specialists and courses to prepare administrative personnel for the motor terminals. Despite the fact that more than 500 persons will be enrolled in the latter courses in 1951, the problem of preparing qualified administrative personnel for the motor terminals still remains.

In line with the reorganization, motor-terminal staffs consisted of the following number of authorized persons:

	rst Class 00 vehicles)	Second Class (101-150 vehicles)	Third Class (151-200 vehicles)
Number of			
persons			
One shift	15	24	30
Two shifts	18	26	32

The staffs of motor terminals having more than 200 vehicles were standardized and did not come into these categories. Of 123 organized, territorial motor terminals, 23 belonged to the first group, 26 to the second, 39 to the third, and 35 were unaffiliated. The 143 motor convoys in the terminals have 15-25 vehicles each and staffs of three or four persons.

The staffs of the motor-transport administrations were considered separately and, depending on the amount of their work, employed between 23 and 44 persons.

By agreement with the Central Statistical Administration USSR, the Ministry of Coal Industry revised its accounting forms. A 15-day telegraphic report on the operation of the motor-vehicle fleet was introduced, and excellent, independent telephone communications permitted the ministry to receive daily a complete dispatching summary of operations of the new motor terminals during the first months of operations.

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The success of the motor pools operating on a cost-accounting basis was greatly enhanced by paying wages to drivers and loaders according to a progressive piece-rate system which was operating in the coal industry, by awarding prizes to engineer and technical foremen for fulfilling or surpassing plans, and by entering motor-transport administrations in all-Union competition of enterprises of the coal industry.

The reorganization of the coal-combine motor pools took place mainly during the second and third quarters 1950. Despite the fact that this was primarily an organizational process for the new terminals placed on a cost-accounting basis, significant economic effects were achieved. Productivity of vehicles in the new motor pools increased 50 percent (in ton-kilometers), due to a 33-percent increase in motor-vehicle utilization and a 20-percent reduction in the number of personnel assigned to each vehicle. The cost of hauling was reduced 12 percent (according to compared figures).

The reorganization of the motor pools and the introduction of the costaccounting method in the pools permitted a reduction in the capital investment required for the acquisition of rolling stock in 1951 to nearly one half the amount needed in 1950.

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